

## **CHAPTER 1**

### **INTRODUCTION AND BACKGROUND**

#### **1.1 GENERAL**

The **Fiscal Management Information System (FMIS)** is the Federal Highway Administration's (FHWA) major financial information system for tracking Federal-Aid highway projects on a project-by-project basis. It contains data related to all highway projects financed with Federal-aid Highway Funds. The FHWA uses the information entered in FMIS for planning and executing program activities, evaluating program performance, and depicting financial trends and requirements relating to current and future funding. The FMIS data is provided upon request, not only to FHWA, but also to various Federal and State branches of Government, special interest groups, such as the American Association of State Highway and Transportation Officials (AASHTO), the public, etc. In addition, Congress, General Accounting Office (GAO), Office of Inspector General (OIG) and Office of Management and Budget (OMB) frequently request information that requires data to be generated from FMIS. In accordance with Title 23, Section 104(j), on a fiscal year basis, reports are provided to Congress on the status of the Federal-Aid Highway Program.

The FMIS 4.0 was developed to replace FMIS 3.0 (an Integrated Database Management System (IDMS) in a mainframe environment). The system is enhanced to streamline the on-line input of project-related data with access to such data by FHWA field offices, Washington Headquarters Program Offices and the States' Departments of Transportation (DOTs). The FHWA field and Headquarters Program Offices as well as the State DOTs collaborated to determine the impact on reporting offices and State DOTs to determine data requirements that would be commensurate with program management needs. The FMIS 4.0, developed using an Oracle relational database on an NT client server, is a web-based application accessible via FHWA-AASHTO ExtraNet. System generated reports may be viewed on-line or accessed via the file transfer process (FTP) (see Appendix A).

State DOTs directly key information into FMIS or submit the information via an electronic batch process (see Chapter 3). The State DOTs also can electronically sign official documents, i.e., Authorization/Agreement and Amendment/Modification. The FHWA Division officials must electronically sign all documents in FMIS 4.0. After the data is entered and meets the edit criteria of FMIS, FHWA Division officials must review and electronically authorize (sign) the document via personal identification number (PIN) within FMIS 4.0.

After the FHWA electronic signature is entered, the action results in the immediate update of FMIS project records and fund balances. The FMIS fund balances will reflect the current status through the latest entry of the FHWA-37 (Project Status Record) that serves as the source of the data entered.

Obligations for the Direct Federal Divisions (Eastern, Central and Western), other Federal agencies and Headquarters are interfaced to FMIS from the departmental accounting system. This information is reported into FMIS in summary by cost center and program code (not by project). The Obligation Authority (OA) for Direct Federal Divisions is controlled at the cost center 1500, 1600 and 1700 level (not by State).

Most FMIS reports will reflect the current status. However, some reports are designed to show the status for prior time periods, i.e., month-end, fiscal year-end or some other specified date.

## **1.2 PURPOSE**

This manual is primarily intended to provide operating instructions and prescribe reporting procedures for both State DOTs and FHWA. The FMIS system includes on-line data entry, editing, and error correction with fund control to avoid credit balances along with file integration and report generation.

The FMIS reporting system includes the following major functions:

- The execution of the Federal-aid portion of the accounting system that provides the details of project incurred obligation.

It is through this process that the detail records supporting entries (obligations) to the formal accounting system (General Ledger) are initiated and recorded.

- The entry of project-related statistical and descriptive data.

This information, combined with the fiscal data, establishes the basis for agency accountability by providing a record of how appropriations are expended and the timeliness of advancing and completing specific programs.

The data integrity of the FMIS is completely dependent upon the quality of the information entered by the FHWA Divisions and State DOTs. Accordingly, project related actions must be reported both promptly and accurately as project activities are authorized and advanced. This requires uniform interpretation and application of the prescribed reporting instructions, accurate input data, timely reconciliation and the participation and cooperation of all.

## **1.3 SYSTEM RESPONSIBILITY**

The FMIS Team within the Office of Budget and Finance, Finance Division, has the responsibility of controlling, maintaining, updating and coordinating information needs of the project reporting system. The responsibilities include the control of the monthly business cycle, coordination with the Information Technology (IT) Division, and the monitoring of input transactions and output reports. The Team is also responsible for:

- providing assistance to reporting offices in the interpretation of instructions and operating procedures;
- issuing new and revised instructions, periodic review of reporting items and reports generated from the data;
- initiating required action to update computer edit programs; and
- training of all users of the system.

The authorized officials for approving transactions can input data. Data entry and accuracy as well as the timeliness of required reconciliation are the responsibility of the FHWA Divisions and State DOTs. For update and/or view authority, as discussed in the following section, a user must have a valid user-id (ID), password and PIN (for electronic signature authority). Although the FMIS Team is responsible for approving user IDs, the FHWA Divisions are responsible for requesting the user's ID as indicated in the next section. Hardware, software, communications and other related technical requirements are the responsibility of the Information Technology Division.

Established internal controls within FHWA Field Offices should assure that financial transactions are supported by the basic documents, and that both the statistical and descriptive information reporting objectives of FMIS are accomplished. For example, funds must be available prior to issuance of an Authorization/Agreement and/or Amendment/Modification of projects.

The calendar month is the basic business cycle. All transactions for the month should be entered by **4:00 p.m. (EST)** on the last working day of each month. The FMIS Team will control the month-end closing. Except for the fiscal year-end closing, the system will generally be available for entry of data for the following month's business on the first business day of that month. At the end of the fiscal year, the system will not be available on the first business day in October for transaction due to the close out process (i.e., reconciliation with accounting system, lapsing of funds and input of new apportionments). All users will be notified when the system becomes available for the new fiscal year business.

Periodically, maintenance of the system will be performed during normal business hours. When such maintenance can be anticipated, all users will be notified in advance of any scheduled maintenance affecting system availability.

## 1.4 USER ID AND PIN

The **User Profile and Access Control System (UPACS)** establishes and maintains the menu of FHWA's server-based, web-enabled database systems, developed by the FHWA IT Division, and their associated user access rights. The UPACS maintains access profiles for

each user to correctly apply application access rights. Users include FHWA employees, selected State government employees, and other FHWA partners. Upon logging in, FHWA users may have unrestricted access to some applications, while other applications are secured from some or all user actions. The UPACS provides access control for FMIS 4.0 through system-generated user IDs and user-supplied passwords and PINs, in combination with individual access profiles created for users by system owners. The password and PIN format must be 6 to 25 characters with at least two numeric and two alpha characters. The password and PIN cannot be the same and will expire every 90 days. The user will be prompted to enter new password and PIN. They cannot be changed sooner than 3 days following the last change. Prior to the third consecutive attempt, a user can reset a password or PIN by using the “I Forgot My Password/PIN” option on the Login screen.

#### **1.4.1 Registering in UPACS**

- Prospective user contacts UPACS administrator, designated FHWA Division personnel, and establishes need for an ID.
- User and/or administrator selects the UPACS user registration function from the login screen and provides administrator’s ID.
- User provides general user profile information: name, address, location code, uniquely identifying information, and e-mail address.

#### **1.4.2 Approval**

- System Sponsor selects the appropriate level of authority for the user and submits the request to the System Owner.
- The System Owner (FMIS Team) approves the request.

### **1.5 FUNDING CONTROL AND DATA INTEGRITY**

The FMIS funding control process is illustrated in the Appendix B. Funding to the States is provided via Apportionments and Allocations. Allocations are provided to the FMIS Team from the FHWA Program Offices. The Apportionments are provided via a flat file from the Budget Office and uploaded into FMIS. The Obligation Authority (OA) for formula and overall total are provided and posted into FMIS by the Budget Division. The OA for allocated funds is provided by the FHWA Program Offices and posted to FMIS by the FMIS Team (FHWA Finance Division).

The data generated from the FMIS database and the accounting system provide the basis for controlling Federal-aid apportioned and allocated funds. Once funds are entered into FMIS, transactions may be submitted. Field offices should coordinate activities and ascertain that

procedures are established which assure the integrity of reported data. Procedures also should be established to assure that basic obligating documents and the required statistical information are provided to the individual(s) responsible for preparing and/or updating and reporting transactions. Accurate entry of data is essential. Incomplete or omitted data, invalid entries and inattention to the prescribed reporting procedures may result in the rejection of the entry by the system.

## **1.6 REPORTING PROCEDURES AND RECONCILIATION PROCESS**

The results of reported transactions are immediately available following the input of such transactions. Therefore, reported transactions are to be reconciled on a daily basis or following each input session. The transaction log reports (FMISW75A) should be used to control and/or reconcile funding activity and balances. On a monthly basis, reported transactions should be reconciled to the following reports: Status of Funds (FMISW97A), Status of Obligation Limitation (FMISM38A) and Project Status (FMISM25A, formerly FHWA-329). Report FMISW10A (Status of Funds and Lapsing) also may be used. The FMIS reports are covered in Chapter 9.

## **1.7 EXPENDITURES UPDATE TO FMIS**

The **R**apid **A**pproval and **S**tate **P**ayment **S**ystem (RASPS) (previous PR-20, Current Billing) is a web-based "sister" system of the FMIS. When the FHWA Division Office approves a RASPS Payment, the "pending" expenditure data is edited in FMIS for valid Federal project number, program code, and the obligations must be less than or equal to expenditures.

There are no edits for expenditures by project for Direct Federal, other agencies and Headquarters.